

Terms and Conditions of Purchase

The Seller agrees to sell and Hyspec agrees to buy the Goods described in and furnished under this Purchase Order, for the price and on the terms of payment shown herein.

1 Definitions

In this Purchase Order:

- 1.1 "Hyspec" shall mean Hyspec Engineering Limited, Rigg Street, Stewarton KA3 SAJ as Purchaser of the Goods under this Purchase Order and includes the ultimate parent company of Hyspec and any affiliate of Hyspec and subsidiaries of the ultimate parent company.
- 1.2 "Hyspec Information" shall mean data, designs, drawings, specifications, communications and other information (whether detailed or conceptual) and in whatever form, including software, and documents which are provided to the Seller by Hyspec or supplied, or produced or created by the Seller for Hyspec hereunder.
- 1.3 "Goods" shall mean the materials, products, equipment, supplies or services to be purchased or supplied as specified in this Purchase Order and any part or component thereof.
- 1.4 "Purchase Order" shall mean these Terms and Conditions of Purchase, together with any Special Conditions, the Purchase Order form, and the attachments, exhibits and documents expressly referred to therein.
- 1.5 "Purchase Price" shall mean the price stated in the Form of Purchase Order which shall be deemed to include all taxes (other than VA1) and duties of every kind, packing, loading, carriage, licence, permit and insurance costs, overheads and profit except where otherwise expressly stated in the Form of Purchase Order.
- 1.6 "The Seller" shall mean the person, firm or company with whom this Purchase Order is placed.

2 ENTIRE AGREEMENT AND CONTROLLING TERMS

- 2.1 This Purchase Order constitutes the entire agreement between Hyspec and the Seller with respect to the Goods, superseding all proposals, negotiations and counter-proposals. The terms and conditions of this Purchase Order shall override any terms and conditions of sale of the Seller including, but not limited to, those included by the Seller in its acceptance of this Purchase Order or posted by the Seller on its internet site. Any Special Conditions stated on the front of this Purchase Order shall apply equally with these Terms and Conditions of Purchase except that, in the event of any conflict, the Special Conditions shall prevail.
- 2.2 This Purchase Order becomes effective when (a) executed by both Hyspec and the Seller or (b) when the Seller commences performance or tenders the Goods after issuance of this Purchase Order to the Seller by Hyspec. Hyspec will have no obligation to make any payment to the Seller before and unless this Purchase Order comes into full force and effect in accordance with this paragraph.

3 CONFORMING GOODS AND ACCEPTANCE

3.1 The Seller is fully responsible for the implementation of this Purchase Order including, as applicable, for the design, fabrication, manufacture, production, and construction of the Goods, and for compliance with all terms, conditions, specifications, drawings, and other requirements of Hyspec, in accordance with the laws and codes of any applicable jurisdiction. In its performance hereunder, the Seller shall furnish at its sole cost and expense any and all necessary labour, machinery, equipment, tools, transportation, and whatever else is necessary in the performance of this Purchase Order.

3.2 The Goods shall be supplied strictly in accordance with the specification and other requirements stipulated in the Purchase Order. No non-conforming product, or deviation --Or substitution, in whole or in part, there from, is permitted without the prior written approval of Hyspec. If the words "or equal" are used in this Purchase Order, proposed equals must be approved in writing in advance by Hyspec. There will be no substitutes or shipment of more or less than the quantity specified without the prior written approval of Hyspec. If Goods received do not conform to those ordered, or if more or less than the quantity ordered are shipped, Hyspec may reject such shipment in whole or in part by giving notice thereof to the Seller. The Seller will remove any rejected or excess Goods at the Seller's expense within ten (10) working days after notice. If the Seller does not remove such rejected or excess Goods within such time, then Hyspec may return such rejected or excess Goods to the Seller at the Seller's cost. If any Goods are rejected by Hyspec, the Seller will not ship any replacement Goods without the prior written approval and directions of Hyspec.

3.3 The Seller shall use all reasonable endeavours to ascertain if there is any conflict between any requirement or provision of this Purchase Order or its attachments and any other requirement or provision contained therein. In the event of the Seller discovering any such conflict, it is the Seller's responsibility to give Hyspec written notice of such alleged conflict, for resolution by Hyspec according to Hyspec's sole discretion. If the Seller proceeds with performance without notification to Hyspec for resolution of such conflict, then all costs incurred in correcting the Seller's erroneous interpretation will be for the Seller's account.

3.4 The Seller shall notify Hyspec of any proposed changes in (a) its manufacturing facility location; (b) the process for production of the Goods and (c) its suppliers or sub-contractors involved in the production of the Goods and in the cases of (b) and (c) shall not implement such changes without Hyspec's written consent (not to be unreasonably withheld) and, where such consent is granted the Seller shall ensure that Hyspec's requirements in relation to the production of the Goods are protected and preserved and in particular that the Seller's suppliers or sub-contractors are fully informed of, and are capable of satisfying, such requirements.

4 PREVENTION OF COUNTERFEIT PARTS

4.1 The seller shall plan, implement, and control processes, appropriate to the organisation and the product, for the prevention of counterfeit or suspect counterfeit part use and their inclusion in product(s) delivered to the Hyspec Engineering.

4.2 Counterfeit part prevention processes should consider but not be limited to the following as a minimum:

- training of appropriate persons in the awareness and prevention of counterfeit parts;
- application of a parts obsolescence monitoring program;
- controls for acquiring externally provided product from original or authorised manufacturers, authorized distributors, or other approved sources;
- requirements for assuring traceability of parts and components to their original or authorized manufacturers;
- verification and test methodologies to detect counterfeit parts;
- monitoring of counterfeit parts reporting from external sources;
- quarantine and reporting of suspect or detected counterfeit parts.

5 INSPECTION

- 5.1 The Seller will have the obligation, at the Seller's cost, to carry out all tests and inspections detailed in the Hyspec Information and elsewhere in the Purchase Order. If requested the Seller shall supply to Hyspec certified copies of all test records and inspection reports in order to confirm that the requirements of the Purchase Order are met.
- 5.2 Hyspec will have the right to inspect and expedite the Goods in process of manufacture, in storage, in transit, and upon delivery to assure compliance herewith. Hyspec will be supplied by the Seller upon request or as needed with data, drawings, specifications, test results, quality documentation, schedules and other documents and information in accordance with the documentation requirements included in this Purchase Order. Upon delivery of the Goods or in any other location or time as may be specified herein, Hyspec may conduct a visual inspection of the Goods in accordance with its standard procedures and may accept or reject the Goods, in whole or in part, provided that Hyspec reserves all rights provided for herein to reject any Goods, in whole or in part, at a later time upon discovery of a latent defect not apparent by such normal visual inspection.
- 5.3 Hyspec's inspection, waiving of inspection, review, approval, or acceptance of the Goods or provision of any information, drawings or data hereunder will not relieve or discharge the Seller either expressly or by implication of the Seller's responsibilities and obligations under this Purchase Order.

6 SAFETY, HEALTH AND ENVIRONMENT

- 6.1 The Seller shall at all times perform, and ensure that its employees, subcontractors and agents perform this Purchase Order in a safe, secure and environmentally aware manner. The Seller shall observe and comply, and ensure its employees, subcontractors and agents observe and comply with all the applicable current legislation. Furthermore the Seller shall observe and comply, and ensure its employees, subcontractors and agents observe and comply with Hyspec's standards and procedures. Copies of relevant documentation can be obtained from Hyspec.
- 6.2 The Seller shall ensure its employees, subcontractors and agents are provided with all necessary personal protective equipment in relation to the performance of this Purchase Order. The Seller shall conduct all necessary risk analyses in relation to the performance of this Purchase Order. The Seller shall ensure its employees, subcontractors and agents have and will maintain all safety, medical and training certificates required for performance of this Purchase Order or by law or any

regulation applying to any worksite used in the performance of this Purchase Order or by Hyspec's safety standards.

- 6.3 The Seller shall ensure its employees, subcontractors and agents report all incident events regardless of severity to Hyspec's representative. This must not be limited to injuries and must include environmental and near miss information.
- 6.4 To the extent that the Goods contain toxic, corrosive or hazardous materials, the Seller shall ensure that a notice to that effect accompanies each consignment, together with appropriate care and handling instructions.
- 6.5 The Seller shall ensure that Goods are properly packed, secured and labelled in accordance with accepted industry practice, regulatory requirements and to meet Hyspec's requirements as specified in the Purchase Order.

7. WARRANTY

- 7.1 The Seller warrants to Hyspec that the Goods provided under this Purchase Order, whether manufactured, fabricated, or otherwise produced or provided by the Seller or others, will (a) strictly conform to the descriptions, data, drawings, plans, specifications, performance criteria, and sample if any, and other requirements referred to herein or provided by Hyspec to the Seller; (b) be of merchantable quality and fit for the purpose(s) intended; (c) conform with all applicable laws, ordinances, codes and regulations, and (d) be free from defects in materials, performance, operation, and workmanship for a period of twelve (12) months after being placed into service by Hyspec or a subsequent purchaser or twenty-four (24) months from the date of acceptance by Hyspec, whichever period expires earlier. All work on the Goods or otherwise in the performance of this Purchase Order will be done in a skilled manner and will be of first-class quality and workmanship in every respect.
- 7.2 If required by Hyspec, the Seller will supply satisfactory evidence of the origin, composition, manufacture, kind and quality of the Goods and of any packaging materials supplied around, on or under the Goods. The Seller further warrants that the Goods will be of sufficient size and capacity, and of proper materials, to properly perform the functions specified in this Purchase Order.
- 7.3 If, within the specified warranty period, Hyspec or subsequent purchaser discovers any defect, error, non-compliance, nonconformity, omission, operational or performance deficiency or breach of any warranty as to the Goods, the Seller will promptly repair, re-perform, or replace without cost the Goods in question (including removal, reinstallation, access, shipping, and labour costs). If the Seller fails after reasonable notice to proceed promptly with and complete the repair, re-performance, or replacement of the defective Goods, Hyspec or subsequent purchaser may repair, re-perform, or replace the Goods and charge all related costs (including labour and access costs) to the Seller without voiding the warranties herein, and without Hyspec or subsequent purchaser waiving any other rights or remedies it may have under this Purchase Order. Such repair, re-performance, or replacement will be warranted for an additional period of twelve (12) months from its acceptance by Hyspec or subsequent purchaser. If Hyspec determines, for any reason, that the remedies provided for herein are not adequate or feasible, Hyspec may elect to have such Goods removed at the Seller's expense and any portion of the purchase price paid refunded in full.
- 7.4 The rights and remedies set out in this Clause 6 are in addition to any other rights

or remedies provided in law, equity, or under this Purchase Order.

- 7.5 It is agreed that all warranties to Hyspec hereunder shall be extended to any subsequent purchaser of such Goods.
- 7.6 Acceptance of Goods by Hyspec shall not constitute a waiver of any of the warranties hereunder. Neither shall payment for such Goods constitute a waiver of any of the conditions contained in this Purchase Order.

8 DELIVERY AND TIME OF PERFORMANCE

- 8.1 Goods shall be delivered to Hyspec's premises or such other address as may be specified on the Purchase Order on the date stated in the Purchase Order during Hyspec's usual business hours.
- 8.1 Where the date of delivery of Goods is to be specified after the placing of the Purchase Order, the Seller shall give Hyspec reasonable notice of the specified date.
- 8.2 A delivery note quoting the number of the Purchase Order and Hyspec's part identification must accompany each delivery of Goods and must be displayed prominently.
- 8.4 Goods shall be identified and supplied in line with Hyspec's Procedure PRM24.
- 8.5 The Seller shall supply Hyspec in good time with any instructions, documentation, certification or other information required to enable Hyspec Engineering to accept delivery of Goods.
- 8.6 The Seller is responsible for properly and carefully packing and shipping the Goods, at its expense unless otherwise specified herein, and will comply with any documentary requirements or instructions of Hyspec in the shipment process.
- 8.7 The Seller acknowledges that the date of delivery specified herein is critical and that time is of the essence of this Purchase Order for the avoidance of substantial loss to Hyspec or any subsequent purchaser. The Seller's failure to meet the delivery date without Hyspec's prior written consent constitutes a breach of contract or default hereunder unless otherwise expressly stated to the contrary in this Purchase Order. In the event of delay, or anticipated delay, from any cause and in all instances, the Seller will immediately notify Hyspec in writing of the delay or anticipated delay, its approximate duration and the overall impact upon the delivery date. Irrespective of the cause of delay, or anticipated delay the Seller will immediately undertake to minimise or recover the delay by all reasonable and expeditious means available. In response to the Seller's notice, Hyspec, at its sole option may (a) approve in writing a new delivery date, or (b) reject in writing any slippage of the delivery date and reserve its right to the application of liquidated damages as specified below, or (c) terminate the Purchase Order.
- 8.8 If the Seller fails to achieve either the new delivery date, or the date by which liquidated damages have reached the maximum amount, Hyspec may in such case, without penalty, cancellation or other fee, and without prejudice to any other rights which it may have, terminate all or any part of the Purchase Order and make such other arrangements as Hyspec may consider necessary or desirable under the circumstances.
- 8.9 If pursuant to item (b) of Clause 8.7, Hyspec rejects any new delivery date, liquidated damages may, at the exclusive discretion of Hyspec, be applied equivalent to one (1) percent of the Purchase Order price per day up to a cumulative maximum amount equivalent to ten (10) percent of the Purchase Order price. However, if the Seller has still not delivered the Goods when liquidated

damages have reached the maximum amount, then Hyspec reserves the right under item (c) of Clause 8.7 to terminate the Purchase Order in accordance with the provisions of Clause 12 herein.

9 TITLE AND RISK

- 9.1 Unless otherwise specified in this Purchase Order, title to the Goods will vest in Hyspec immediately upon acceptance of the Goods by Hyspec or upon identification of the Goods to this Purchase Order whichever is earlier. The Seller warrants free and clear title to the Goods, free and clear from any and all liens, restrictions, reservations, security interests and encumbrances.
- 9.2 Irrespective of vesting of title and any other provision herein to the contrary, the Seller will bear the risk of loss of or damage to the Goods, and will insure or self-insure for the benefit of the Seller and Hyspec the Goods in its care, custody and control, including free issue material supplied to the Seller for incorporation into, or work in conjunction with, the Goods, until the same are delivered in good condition and accepted by Hyspec in accordance with the provisions of this Purchase Order.
- 9.3 Any free issue materials provided by Hyspec to the Seller for incorporation into or use with the Goods shall remain the property of Hyspec at all times. Risk of loss or damage to such free issue materials shall vest in the Seller from the time of delivery of such free issue materials to the Seller until re-delivery to Hyspec or acceptance of the Goods by Hyspec, whichever is later. The Seller shall give Hyspec an account of the use of all free issue materials and any materials unaccounted for, lost or damaged shall be replaced by the Seller.

10 COMPLIANCE WITH LAWS

- 10.1 In its performance under this Purchase Order, the Seller agrees to strictly comply with all applicable laws, treaties, ordinances, codes and regulations, and specifically with, but not limited to, all such laws relating to bribery or corruption, and any import and export, and health, safety and environmental laws, treaties ordinances, codes and regulations of any applicable jurisdiction including the laws of the country of the final destination of the Goods. The Seller shall ensure that its own suppliers shall adhere to laws relating to bribery and corruption and any other similar laws and regulations and shall maintain adequate systems to monitor compliance with such laws by itself and its supply chain. Hyspec seeks to trade ethically and will not tolerate any practices that breach applicable standards.
- 10.2 By accepting this Purchase Order the Seller confirms that it complies with the terms of this Clause 10. Upon Hyspec or any subsequent purchaser's written request, the Seller will provide any evidence or certification of compliance required by any national, federal, regional, state, or local law, ordinance, code, or regulation.
- 10.3 The Seller shall indemnify and hold harmless Hyspec and its affiliates, and their respective directors, officers, and employees, and any subsequent purchaser, from and against any loss, cost (including legal fees and court costs), civil or other fines and penalties, damage or liability, arising from or alleged to arise from any violation, alleged violation, or failure to comply with, the terms of this paragraph by the Seller or any person for whom the Seller may be responsible.
- 10.4 Notwithstanding any other provision in this Purchase Order to the contrary, nothing contained herein will oblige Hyspec or the Seller to engage in any action or

omission to act which would be prohibited by or penalised under the laws or regulations of any part of the United Kingdom.

11 CHANGES IN THE GOODS

- 11.1 The Seller will make no unilateral change, substitution, or revision without Hyspec's prior written consent.
- 11.2 Hyspec has the right to make changes in the character or quantity of the Goods, or in the manner or time of performance of this Purchase Order. Changes will be in writing and signed by a duly authorised representative of Hyspec. If the Seller is unable to comply, the Seller will notify Hyspec in writing, within 5 (five) days of receipt, otherwise such change will be deemed accepted. An equitable adjustment in the price and time of performance will be made by the parties in writing if any change results in a demonstrated decrease or increase in the Seller's cost or time of performance.
- 11.3 Notwithstanding the existence of any dispute over the consequences of any change(s), the Seller shall proceed with any/all changes.

12 TERMINATION WITHOUT CAUSE

- 12.1 Unless otherwise provided in the Purchase Order, Hyspec has the right at any time to terminate all or any part of this Purchase Order by written notice subject to Hyspec making a payment to the Seller based on that portion of the Purchase Order price as the work satisfactorily performed to the date of the termination bears to the entire work contracted for, less any money paid to the Seller. The Seller will not be entitled to any lost profit, lost revenue, lost business opportunity, or any incidental, indirect, economic, and consequential or other damages because of termination.
- 12.2 At the time of such termination by Hyspec, the Seller will immediately discontinue all work on this Purchase Order. Pending Hyspec's instructions, the Seller will preserve and protect the Goods on hand, work in progress, supplier data, and completed work, both in its own and in its suppliers' facilities. If the Goods have been paid for in whole or in part, Hyspec will have the immediate right to enter the Seller's premises to take possession and remove the Goods and all drawings, records, materials and equipment to be incorporated into the Goods, from the Seller's premises.

13 TERMINATION WITH CAUSE

- 13.1 In the event of the Seller's (a) actual or anticipated breach of or default under any provision of this Purchase Order, or (b) any material change in its ownership or organisation or any other operational change adversely affecting, or which may adversely affect in Hyspec's reasonable opinion, the Seller's performance hereunder, or (c) bankruptcy, reorganisation, receivership, insolvency, or making an assignment for the benefit of creditors, or (d) evidencing financial or organisational instability, Hyspec has the right, in addition to any rights or remedies it may have in law, in equity, or under this Purchase Order, to immediately terminate this Purchase Order, in whole or in part, for cause, by written notice to the Seller. The Seller will not be entitled to any lost profit, lost revenue, lost business opportunity, or any incidental, indirect, economic, and consequential or other damages because of termination, nor will Hyspec be liable to pay any costs of termination.

13.2 In such event, Hyspec may immediately take possession of all or any portion of the items identified in this Purchase Order, subject only to an obligation to equitably compensate the Seller for same. Upon termination by Hyspec as a result of the Seller's default hereunder, the Seller will be liable to and will immediately reimburse Hyspec for all costs of any nature in excess of the Purchase Order price which may be incurred by Hyspec and any party with whom Hyspec has contracted to sell or supply the Goods to effect completion of performance of this Purchase Order.

14 INVOICING AND PAYMENT

14.1 Hyspec shall pay the Seller for Goods in accordance with the provisions set out in the Form of Purchase Order. However, notwithstanding, such payment terms, Hyspec's obligation to pay the purchase price is conditional upon (a) receipt of completed, non-defective conforming Goods;(b) receipt and acceptance by Hyspec of the Seller's accurate and properly completed invoice accompanied by satisfactory supporting documentation; and (c) compliance by the Seller with all terms and conditions of this Purchase Order. Hyspec will have the right to withhold payment on the disputed portion of any invoice or statement presented by the Seller for reasonable verification thereof.

14.2 Any sums due the Seller hereunder may be applied by Hyspec as a set off against any sums owed by the Seller to Hyspec or against any claims of third parties against Hyspec arising from the Seller's performance, whether under this or any other Purchase Order or other document.

15 INDEMNITY

15.1 The Seller shall indemnify and hold harmless Hyspec and any subsequent purchaser and their affiliates, and their respective directors, officers, and employees from and against (a) any costs (including legal fees and court costs), fines, penalties, damages, and liabilities, arising from death or injury to employees of the Seller, its subcontractors and vendors and its and their affiliates and their respective directors, officers and employees or loss of or damage to the property of the Seller, its subcontractors and vendors and its and their affiliates and their respective directors, officers and employees regardless of cause including the negligence or breach of duty, statutory or otherwise, of Hyspec; and (b) any costs (including legal fees and court costs), fines, penalties, damages, and liabilities, arising from, alleged to arise from, or in any way associated with any defect in the Goods furnished hereunder or the performance of this Purchase Order, regardless of cause including the negligence or breach of duty, statutory or otherwise, of Hyspec.

16 INSURANCE

16.1 The Seller shall maintain insurance with coverage and amounts as required by applicable law. In addition, the Seller shall insure or self-insure its obligations under this Purchase Order and as required in the Form of Purchase Order.

16.2 Where any applicable law or this Purchase Order requires insurance to be maintained, the Seller agrees not to cancel or amend any of the insurance coverage maintained hereunder before the applicable expiry date thereof without thirty (30) days prior written notice to Hyspec.

17 TAXES

- 17.1 Unless otherwise provided for in this Purchase Order, the Seller is responsible for payment of, and the price provided for herein includes, all sales, excise, revenue, capital and other taxes, duties, fees or other assessments of whatever nature imposed on the Seller by governing authorities or any jurisdiction applicable in connection with performance of this Purchase Order. The Seller accepts sole responsibility and liability for the payment of any and all contributions or taxes or other assessments for those persons performing work for the Seller hereunder. If it is ever determined that any tax included in the price paid by Hyspec was not required to be paid, the Seller agrees to refund promptly such amount to Hyspec.
- 17.2 The Seller will indemnify and hold Hyspec and any subsequent purchaser harmless from and against any fines, penalties, costs (including legal fees and court costs), losses, damages or liabilities, arising from, alleged to arise from, or in any way associated with the Seller's failure to comply with the requirements of this clause.
- 17.3 At its sole discretion, Hyspec may withhold from payments to be made to the Seller amounts legally required to be withheld from such payments and remitted to the taxing authority of any jurisdiction relevant to the transaction. In the event that Hyspec withholds taxes from any payment due to the Seller then, on the Seller's written request, Hyspec shall, within thirty (30) days of such request, provide to the Seller copies of such evidence of withholding as is available to Hyspec.

18 INTELLECTUAL PROPERTY RIGHTS

- 18.1 All Hyspec Information provided by Hyspec to the Seller and the intellectual property rights therein shall remain the property of Hyspec and shall not be used, reproduced or adapted or divulged to any person except to employees of the Seller or the Seller's authorised subcontractors for the purpose of carrying out this Purchase Order. All Hyspec Information created by or under this Purchase Order is the sole property of Hyspec with title to such vesting upon identification to this Purchase Order.
- 18.2 The Seller will turn over all Hyspec Information to Hyspec, including copies thereof, at the expiry date of the warranty period, or earlier as may be requested in writing by Hyspec. The Seller agrees to execute any documents requested by Hyspec to confirm Hyspec's legal title to all such rights.
- 18.3 Goods manufactured in accordance with the drawings furnished by Hyspec shall be considered Hyspec's design and as such the Seller shall not furnish to anyone else identical or similar Goods or parts thereof without Hyspec's written permission.
- 18.4 The Seller warrants that the design, fabrication, manufacture, production, sale, distribution and intended use of the Goods do not infringe directly or indirectly, in whole or in part, any patent, copyright, trade secret, trademark, trade name, or other intellectual property right, and the Seller agrees to indemnify and hold Hyspec and any subsequent purchaser, their affiliates, and their respective directors, officers, employees, contractors, agents, suppliers, users, successors, and assignees, harmless from and against any and all costs (including legal fees and court costs), expenses, fines, penalties, losses, damages, and liabilities arising out of any alleged or actual patent, copyright, trade secret, trademark, trade name, or other intellectual property right infringement or other claim, demand or action arising from or related to the design, fabrication, manufacture, production, sale, distribution or use of the Goods.

19 CONFIDENTIALITY

- 19.1 All Hyspec Information is proprietary and confidential to Hyspec and will be used solely by the Seller for the purposes of this Purchase Order. All such Hyspec Information will be treated and protected by the Seller as strictly confidential, and will not be disclosed to any third party without the prior written consent of Hyspec, and may be disclosed within the Seller's organisation only on a need-to-know basis. Hyspec may require the Seller's employees, contractors, suppliers and other personnel involved in the performance of this Purchase Order to execute an individual confidentiality agreement prior to any disclosure.
- 19.2 The Seller will not publicise or disclose the existence, content, or scope of this Purchase Order or make any reference to Hyspec to any third party by any means without obtaining the prior written consent of Hyspec and any Owner.

20 ASSIGNMENT AND SUBCONTRACTING

- 20.1 The Seller shall not sell, assign, subcontract or transfer this Purchase Order, or any part hereof, or any money due hereunder, without the prior written consent of Hyspec. Such consent shall not relieve the Seller of any of its legal obligations under this Purchase Order.
- 20.2 Hyspec reserves the right to assign this Purchase Order, in whole or in part, to any party.
- ~~20.3~~ Hyspec reserves the right to approve or disapprove all subcontractors, vendors, or suppliers proposed by the Seller to be involved in the Seller's implementation of or performance under this Purchase Order. Upon request by Hyspec, the Seller shall provide all information requested by Hyspec in relation to any such proposed subcontractor, vendor or supplier. Any approval by Hyspec will not constitute a waiver of any term or condition hereunder, at law, or in equity, nor relieve the Seller of any obligation herein.
- ~~20.4~~ The Seller will incorporate these terms and conditions into any Purchase Order or other contract issued to any subcontractor, supplier or vendor for any work to be provided under this Purchase Order.
- ~~20.5~~ The Seller will give Hyspec prompt written notice of any material change in its ownership or organisation or any other operational change which may affect its performance under the Purchase Order, including in the manufacture or production of the Goods.

21 IMPORT AND EXPORT COMPLIANCE

- 21.1 The Seller agrees that, in its performance under this Purchase Order, it is solely responsible for required compliance with the import and export laws and regulations of the United Kingdom and any other jurisdiction or country as may be notified by Hyspec in this Purchase Order.
- 21.2 If any import or export control or compliance form is attached to this Purchase Order, including a request for export control information, the Seller will thoroughly and accurately complete such form and return it within ten (10) days to Hyspec. The Seller understands and acknowledges that the Seller will be fully responsible for the accuracy and completeness of import and export documentation prepared or executed by the Seller, including that required for the import of any materials used in the production or manufacture of the Goods and of any documents prepared by the Seller's employees, contractors, agents and brokers.

22 LAW AND JURISDICTION

- 22.1 This Purchase Order shall be construed in accordance with and governed by the Laws of Scotland and each party submits to the exclusive jurisdiction of the Scottish Courts.
- 22.2 The rights and remedies of Hyspec set forth herein are in addition to any other rights or remedies of Hyspec under contract or at law.

23 LIENS

- 23.1 The Seller agrees to keep any property of Hyspec and any subsequent purchaser free and clear from any and all claims, liens and encumbrances. To the maximum extent allowed by Law, the Seller agrees to indemnify and hold harmless Hyspec and subsequent purchasers and their affiliates from and against any and all such liens arising from, alleged to arise from, or in any way associated with the Seller's performance or non-performance under this Purchase Order.
- 23.2 The Seller waives all rights of lien against the premises, facilities, equipment and other property of Hyspec and any subsequent purchaser.

24 AUDIT

- 24.1 For a minimum period (seven (7) years) after final payment has been made to the Seller under this Purchase Order, the Seller shall maintain all records and accounts pertaining to this Purchase Order (whether in electronic or paper format).
- 24.2 During the period of this Purchase Order and for a minimum period of seven (7) years after final payment has been made to the Seller, at all reasonable times, Hyspec, their customer to whom the Goods are subsequently supplied by Hyspec, and all relevant regulatory authorities shall have a right of access to all applicable areas of the premises and facilities of the Seller, its suppliers and sub-contractors, at any level of the supply chain, involved in the production of the Goods and shall have the right to examine and audit, copy and inspect all the Seller's (and, if appropriate, its suppliers' and sub-contractors') records and accounts pertaining to performance under this Purchase Order.

25 INDEPENDENT CONTRACTOR

- 25.1 In the performance of any work by the Seller for Hyspec, the Seller shall be deemed an independent contractor with the authority and right to direct and control all of the details of its work, Hyspec being interested only in the result obtained. However, all work contemplated shall be subject to the general right or authority of Hyspec to supervise or give instructions to the employees, agents or representatives of the Seller, but such employees, agents or representatives at all times shall be under the direct and sole supervision and control of the Seller.
- 25.2 It is the understanding and intention of the parties hereto that no relationship of master and servant, or borrowed servant, or principal and agent shall exist between Hyspec and the employees, agents or representatives of the Seller.

26 WAIVER AND SEVERABILITY

- 26.1 None of the terms and conditions of this Purchase Order shall be considered to be waived by Hyspec unless a waiver is given in writing by Hyspec to the Seller. No failure on the part of Hyspec to enforce any of the terms and conditions of this

Purchase Order shall constitute a waiver of such terms.

26.2 If any provision of this Purchase Order shall be found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect the other provisions of this Purchase Order and all provisions not affected by such invalidity or unenforceability shall remain in full force and effect. The parties hereby agree to attempt to substitute, for any invalid or unenforceable provision, a valid or enforceable provision which achieves to the greatest possible extent, the economic, legal and commercial objectives of the invalid or unenforceable provision.

27 DISPUTE RESOLUTION

27.1 If either party is dissatisfied with the performance of the other in relation to the Goods or this Purchase Order, the parties shall meet as soon as possible in good faith to try to resolve the matter in an amicable way.

27.2 In the absence of any agreement being reached on a particular dispute either party may take appropriate action in the Scottish Courts to resolve the dispute at any time.

27.3 Notwithstanding the existence of any dispute, the Seller shall proceed with the performance of the Purchase Order.